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THE POLISH MERCHANT MARINE

On 6 November 1948, the first of a series of ore and coal carriers was launched in the Gdansk Shipyards. This was a turning point in the affairs of the young Polish shipbuilding industry which started production almost simultaneously with the clearing of postwar rubble, and subsequently completed on schedule the hull of the first ship of this type. It is especially important since it was the first merchant ship built of Polish materials by Polish engineers and Polish workmen. With its launching, Poland became one of the nations which build their merchant ships in their own shipyards.

On 29 June 1949, the fifth of the ore and coal carriers, the Wincenty Pstrowski, will be launched. The launching of this ship will bring the status of the merchant fleet and its prospects in foreign trade to the attention of the nation.

The ore and coal carriers are assigned to service in the Baltic, especially for transporting coal from Poland to the Scandinavian countries and iron ore from these countries to Poland.

These vessels have a capacity of 2,540 dead-weight tons and have the following dimensions (in meters): length, 85.35; beam, 12; and draft, 5.35. These carriers will be steam powered, currently the most advantageous method although the shipbuilding industry has recently been favoring oil power. They will be equipped with automatic loading devices which will operate without the help of trimmers. All the vessels of this series are bing built in the Gdansk Shipyards on the order of the state-managed Gdynia Ameryka Navigation Lines Joint Stock Company in Gdynia, presently the largest ship outfitters.

The preliminary designs for the carriers were worked out at the Central Construction Bureau of the Polish Associated Shipyards. Lack of experts necessitated the making of the mechanical drawings abroad (A. Normand in Le Havre). However, the plans were changed somewhat to adapt them to the production capacity of the shipyards.

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A merchant fleet is divided into two basic types, intermediary and instrumental. The intermediary fleet is characterized mainly by the servicing of foreign ports and the transport of foreign cargo. This type constitutes a separate branch of the national economy and is an important source of national income.

The instrumentalfleet services its own ports and carries the country's own imports and exports, thus cutting down expense that would be incurred if the shipping were handled by foreign carriers.

To compare the fleets of the various countries and to show the position of the Polish fleet the following figures are given:

Intermediary fleets(tonnage as of 1939 - 1940): Britain and Dominions, 22,300,000 gross registered tons; Norway, 4,800,000; Holland, 2,900,000; Greece, 1,700,000; and Sweden, 1,500,000. The total world tonnage of this type fleet was 33,561,792 gross registered tons or 48 percent of the world tonnage.

Instrumental fleets (tonnage as of 1939 - 1940): United States, 8,300,000; Soviet Union, 1,300,000; Italy, 3,400,000; and Germany, 4,400,000. The total world tonnage of this type fleet was 17,593,082 gross registered ton or 27 percent of the world tonnage.

The Polish merchant fleet belongs to the second type.

The merchant fleets of Japan (5,600,000), France (2,900,000) and Belgium (408,000), with a total tonnage of 8,991,236 gross registered tons or 13 percent of the world tonnage, belong to a third type, the mixed type.

On 1 January 1939, the entire Polish fleet, including ocean-going vessels and coastal vessels of more than 100 gross registered tons, numbered 71 ships with a total capacity of 102,000 gross registered tons (Polish Small Statistical Yearbook 1939). In the first 6 months of 1939, eight ships with a total capacity of 17,000 gross registered tons were completed. In August, the fleet numbered 39 vessels with a capacity of 120,006 registered tons including 28 steamships of 56,834 gross registered tons, 10 motor ships of 61,611 gross registered tons, and one sailing vessel of 1,561 gross registered tons used for training purposes, all ocean-going vessels not including coastal or auxiliary ships. The percentage of steam-powered vessels was only 47.4 percent.

The Polish fleet was only 0.2 percent of the total world fleet. Even at present, there is no marked change in this status.

Already in 1939, the state owned 104,458 gross registered tons or 67 percent of the total tonnage; the balance of 15,548 gross registered tons or 13 percent was owned by private enterprise. The characteristic feature of the prewar fleet was the disproportion between the gross tonnage and the carrying capacity. Normally the proportion is 2:3 while in the Polish fleet it was 1:1.

In World War II, the losses of the Polish merchant fleet were very serious. Poland lost 23 of the ocean-going vessels, totaling 68,000 gross registered tons (47 percent), and about 10,000 gross registered tons, or all of the coastal and auxiliary vessels. The greatest loss was the sinking of the M/S Pilsudzki, a passenger ship with a capacity of 14,294 gross registerd tons.

As a result of German reparations and the number of ships acquired during the war, the condition of the maritime fleet, despite the heavy losses, was better in the first half of 1947 than it had been before the war. In mid-1947, Poland had 41 ships totaling 148,788 gross registered tons with a carrying capacity of 183,490 dead-weight tons. During the current year this capacity increased to about 160 000 tons. Of these,

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30 were steamships with a total capacity of 96,251 gross registered tons (65 percent) and 11 motorships with a capacity of 52,537 gross registered tons (5 percent) [sic]. It is significant that 2 years after the war, the rehabilitation of the fleet not only kept pace with the increase in the world tonnage but exceeded its own prewar tonnage and showed a healthier proportion of gross tonnage to carrying capacity.

Despite its dynamic development, this increased and improved fleet, by no means satisfies Poland's postwar economic needs. As before the war, the task of the merchant fleet is to carry a large percentage of domestic freight. To save foreign exchange instead of using them to pay for foreign transport is an economic necessity. A large, modern merchant fleet will greatly improve Polish foreign trade, increase national resources, and give employment to many types of marine workers.

To show the percentage of participation of a merchant fleet in the national economy the British merchant fleet can be taken as an example. In 1938, the income of the British merchant fleet equalled one fourth of all British exports, representing an important item among "invisible" exports. In 1947, the British merchant fleet showed a gross income of 180 million pounds, expenditures of 163 million pounds, leaving a net income of 17 million pounds. This showing was made despite the heavy war losses (10,870,000 gross registered tons), which were, however, compensated for by new construction and German reparations amounting to 46 percent of German tonnage.

In the period from 1929 to 1936, the gross income from tonnage fees and other income of the Polish merchant fleet was 189,145,400 zlotys, netting a profit of 93,050,000 zlotys. On the other hand, tonnage fees paid to foreign operators during the same period amounted to 1,778,100,000 zlotys)Polish Maritime and Colonial Yearbook of 1938).

The volume of freight carried by the fleet through Gdansk and Gdynia is given below:

Year	Tons	Percent of Frt Handled at Ports
1935	1,200,000	9.2
1936	1,427,000	10.0
1937	1,966,000	11.5
1938	1,255,000	7.7

The share of the Polish fleet in the transport of coal and coke, which in 1937 comprised 70 percent of the total Polish export, fluctuated from 4.9 percent, the lowest, in 1929 to 9.7 percent, the highest, in 1932, to 7.5 percent in 1937.

In 1946, the total freight handled in the ports of Gdynia and Gdansk was 7,737,068.3 tons; in 1947, 9,693,105 tons. In 1947, the Polish merchant ships calling at these ports were in fourth place in respect to tonnage (420,958 net registered tons) and represented 9.5 percent of the net tonnage.

The percentage of Polish cargo carried in Polish ships handled in these two ports in 1947 is estimated at 8.5 percent; thus shows no improvement over the prewar years even though the tonnage of the Polish fleet increased in absolute figures and the proportion between gross tonnage and dead-weight tonnage improved. This condition is explained by the peculiar structure of the international trade after the war i.e., UNRRA, and by the changed conditions

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of international trade in general. To get a better picture of our situation let us examine the record of the French fleet. Although it is only now reaching 80 percent of its prewar status, its participation in carrying French cargo to French ports was 31.7 percent in 1945, 28.3 percent in 1946, and 30 percent in 1947.

It is apparent then that the share of the Polish merchant fleet in the traffic of the Polish ports is very insignificant. Szczecin and other small ports are not included since the figures are still too small to have any great influence on the volume of freight handled or on the share of the Polish fleet therein. At the same time, the figures show the great possibilities for the development of the fleet, for its increased participation in the transshipments of cargo through Polish ports and foreign ports, and for the development of Poland's foreign trade. An important part of the marine program in the next several years, and an important item in over-all planning will be to exploit these possibilities.

Estimated on the basis of figures for foreign trade as shown in the Three-Year Plan, the Polish ports will handle 25 - 35 million tons of freight by 1950. No great deviation is foreseen in the type of cargo from that carried before the war, which was about 80 percent bulk cargo. Factors operating in the appraisal of the transport capacity of the fleet include not only the tonnage but also the transport efficiency of one gross ton, that is, its actual carrying capacity per year. A basic factor of the fleet's productivity will be the turnaround time. The estimate made before the war on the basis of the then existing fleet was about 20 tons actual cargo carried per year per gross ton. An increase in efficiency can be expected since passenger traffic has decreased and the carrying capacity of the fleet has increased.

If one estimates the participation of Polish ships in the transport of 30 million /tons/ of cargo at an unchanged rate of 10 percent, more or less, one arrives at 150,000 as the required tonnage which can be provided by the present fleet. If the participation of Polish ships is increased to 15 percent, 225,000 tons would be the required tonnage; and at 20 percent, 300,000 tons.

The plan for the development of the Polish fleet was based on an estimated annual volume of 32 million tons of cargo passing through Polish ports in the next few years and on a 15-percent participation of the Polish fleet in its transport. On this basis, 220,000 gross registered tons or 330,000 dead-weight tons is the planned increment of ocean-going tonnage during the next 10 years, or 33,000 dead-weight tons a year. This also takes care of replacements in the present fleet. At present, the fleet has 16 ships which are more than 20 years old, considered the productive life of a ship. There arises the problem of financing these needs, which include only ocean-going vessels and do not include the 18,000 tons planned for the fishing fleet and 12,000 for coastal and auxiliary ships. With present productive capacity, Polish shipyards can build only a part of the required tonnage.

The large percentage of steamships using coal as fuel is explained by the fact that there is an adequate supply of coal and a shortage of oil and also the relatively short range of vessels assigned to shipping in the Baltic. This feature of the new fleet under construction should be emphasized in view of the fact that the number of steamships in the world fleet has been steadily decreasing, from 89 percent in 1914 to 25 percent at the present time.

As is apparent from the above, it would be economically sound to increase the ocean-going fleet to the dimensions planned or even to 800,000 gross registered tons, in which case the participation of the Polish fleet in the total freight handled would be 50 percent. This would be an ideal to strive for, and its actual accomplishment would keep the Polish shipyards busy for many years and make Poland independent of the costly services of foreign carriers.

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The measures to be taken for increasing the participation of the Polish fleet in handling the cargo of domestic ports remain to be discussed. Since the industry has been nationalized and the machinery for handling trade, especially foreign trade, has been established, the responsibility lies entirely with the state. These measures are divided into two general categories, transport policy and legal regulations. In international shipping both are considered as limiting free competition which countries with intermediary fleets, especially Britain, still practice. The state as an importer or exporter can influence the degree of employment of its own fleet by an intelligent use of the CIF clause in exports or the FOB clause in imports. Their use also depends on the general laws of supply and demand for ocean-going freight.

Legal regulations governing the participation of the home fleet in the service of the foreign trade of a nation are naturally more drastic and usually result in a strong reaction. There are many such instances in the history of navigation, even in recent years and at present.

The passage of the American Merchant Marine Act of 1920 was intended to insure for the US merchant fleet, through subsidies, the handling of at least one half of the foreign trade of the US. During the current year, the US Congress approved a measure which stipulates that 50 percent of the cargo to Marshall Plan countries is to be carried by US ships.

In March of this year, Argentina also passed a decree stipulating the greatest possible participation of the national fleet in the service of foreign trade with a minimum of 50 percent. Apparently, other South American countries, led by Brazil, intend to follow the policy of Argentina.

These measures, which indicate ever-increasing competition, should be used only as a last resort and are not necessary in Poland's case since the participation of the Polish flag in her foreign trade in the next several years will not exceed a modest 15 percent.

In conclusion, it would be well to examine some world tonnage figures illustrating the situation in Poland and other countries in this respect. An effort is noted to rehabilitate shrunken resources and to improve positions in world shipping, which at present tends to eliminate the German fleet and the Japanese fleet almost entirely and the Italian fleet partially.

The US Merchant Marine increased from 11.5 million gross registerd tons in 1939 to 32,400,000 in 1947, including the Great Lakes fleet, or 238.6 percent of its prewar status.

Great Britain which lost its entire merchant fleet in the recent war, reached a total of 21,300 gross registered tons, including colonies, in 1947 or a 1.5-percent increase over its prewar status.

Norway suffered terrific losses to its merchant fleet, being left with 1,072,872 gross registered tons in 1947, or 22.2 percent of its prewar fleet of 4,800,000 gross registered tons.

The total world tonnage excluding the smaller seacoast countries increased 14,916,598 gross registered tons over 1939 and is now 84,356,257 gross registered tons, excluding sailing ships.

These are not the latest figures. All the merchant fleets show an upward trend. In June of this year, the total tonnage under construction in all the shipyards of the world, excluding Germany and Japan for lack of data, was 1,778,186 gross registered tons, of which 58 percent belonged to Great Britain and Ireland.

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The above figures do not include the Soviet Union which plans to build 70 vessels including six motorships with a total capacity of 4 million dead-weight tons. Their average carrying capacity will be from 3,000 to 8,000 dead-weight tons.

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